



VIDULLANKA PLC

Building on Renewable Energy Sources

(PQ 83)

**INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
30th JUNE 2018.**

Registered office: Level 04, Access Towers, No. 278, Union Place, Colombo 2 Sri Lanka.
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VIDULLANKA PLC

Statement of Financial Position

As at 30th June 2018

	Group		Company	
	30.06.2018 (Unaudited*) Rs.	31.03.2018 (Audited) Rs.	30.06.2018 (Unaudited*) Rs.	31.03.2018 (Audited) Rs.
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	4,191,610,287	4,057,474,026	464,201,684	470,191,379
Mature bearer biological assets	9,585,112	9,806,425	-	-
Investments in Subsidiaries	-	-	836,931,878	804,408,460
Investments in Joint Ventures & Associates	358,323,469	319,172,245	171,037,412	171,037,413
Other Project Investments	117,561,238	112,928,877	117,561,238	112,928,877
Goodwill	248,999,594	215,879,383	-	-
Deferred Tax Asset	202,060	202,060	-	-
	4,926,281,761	4,715,463,016	1,589,732,212	1,558,566,129
Inventories	14,672,097	17,632,700	4,589,912	4,589,912
Trade and Other Receivables	625,885,401	462,113,344	726,621,172	607,765,202
Other Financial Assets	2,500,000	2,500,000	2,500,000	2,500,000
Cash and Bank Balances	103,800,159	105,616,266	14,550,983	36,687,715
	746,857,657	587,862,310	748,262,068	651,542,829
Total Assets	5,673,139,418	5,303,325,326	2,337,994,280	2,210,108,958
EQUITY AND LIABILITIES				
Capital and Reserves				
Stated Capital	1,417,908,484	1,342,608,484	1,417,908,484	1,342,608,484
Retaining Earnings	1,031,252,576	810,201,685	145,946,873	141,306,450
Other components of equity	39,443,905	31,462,897	-	-
Equity attributable to Equity Holders of the Parent	2,488,604,965	2,184,273,066	1,563,855,357	1,483,914,934
Non Controlling Interest	32,980,967	27,882,261	-	-
Total Equity	2,521,585,933	2,212,155,327	1,563,855,357	1,483,914,934
Non- Current Liabilities				
Financing and Lease (Ijara) Payables	1,624,418,764	1,728,356,326	49,611,246	92,900,163
Defined Benefit Liability	25,712,303	22,674,659	19,990,831	19,333,793
Deferred Taxation	135,179,712	112,760,799	4,230,918	4,230,918
	1,785,310,779	1,863,791,784	73,832,995	116,464,874
Current Liabilities				
Trade and Other Payables	349,092,851	322,115,380	118,851,602	128,451,950
Financing and Lease (Ijara) Payables	1,012,662,510	901,094,898	581,363,009	481,185,886
Income Tax Liability	4,487,345	4,167,937	91,317	91,314
	1,366,242,706	1,227,378,215	700,305,928	609,729,150
Total Equity and Liabilities	5,673,139,418	5,303,325,326	2,337,994,280	2,210,108,958
Net Asset Value Per Share (Rs)	2.97	2.66	1.87	1.81
No of Issued Shares	837,785,465	821,869,169	837,785,465	821,869,169

* The amounts are provisional and subject to audit

These Financial Statements are in compliance with the requirement of the Companies Act No. 07 of 2007



Mafaz Ansar
Head of Finance & Treasury

The Board of Directors is responsible for the Preparation and presentation of these financial statements.



Riyaz M. Sangani
Managing Director



M. Zulficar Ghouse
Director

Colombo
06th August 2018

Vidullanka PLCStatement of Comprehensive Income

As at 30th June 2018

	Group			Company		
	Quarter Ended 30th June			Quarter Ended 30th June		
	2018 (Unaudited*) Rs.	2017 Rs.	Variance	2018 (Unaudited*) Rs.	2017 Rs.	Variance
Revenue	412,096,909	203,721,156	102.3%	78,840,253	59,239,166	33.1%
Cost of Sales	(71,503,914)	(58,656,281)	(21.9%)	(11,704,682)	(11,752,304)	0.4%
Gross Profit	340,592,995	145,064,875	134.8%	67,135,571	47,486,862	41.4%
Other Income and Gain/(Losses)	3,406,212	18,023,766	(81.1%)	274,508	17,428,077	(98.4%)
Administrative Expenses	(49,827,167)	(62,856,563)	20.7%	(41,924,782)	(48,466,109)	13.5%
Finance Cost	(73,368,996)	(65,697,427)	(11.7%)	(20,540,380)	(20,127,808)	(2.0%)
Finance Income	82,979	194,017	(57.2%)	82,979	194,017	(57.2%)
Investment Share in the Joint Ventures	39,169,640	6,224,023	529.3%	-	-	-
Profit Before Tax	260,055,663	40,952,691	535.0%	5,027,896	(3,484,961)	244.3%
Income Tax Expense	(33,453,924)	(26,948,911)	(24.1%)	-	-	-
Profit for the period	226,601,738	14,003,780	1518.1%	5,027,896	(3,484,961)	244.3%
Other Comprehensive Income						
Net Actuarial Gain/(Loss) on Defined Benefit Plan	(629,928)	104,757	(701.3%)	(538,157)	105,139	(611.9%)
Income Tax on Other Comprehensive Income	157,375	(26,685)	689.8%	150,684	(26,285)	673.3%
Net Actuarial Gain/(Loss) on Defined Benefit Plan of Investment share	20,412	22,753	(10.3%)	-	-	-
Exchange Differences on Translation of Foreign Operations	7,981,008	(7,511,210)	206.3%	-	-	-
Other Comprehensive Income for the Year, Net of Tax	7,528,867	(7,410,385)	201.6%	(387,473)	78,854	(591.4%)
Total Comprehensive Income for the Year, Net of Tax	234,130,606	6,593,395	3451.0%	4,640,423	(3,406,107)	236.2%
Profit attributable to :						
Equity Holders of the Parent	221,502,946	13,892,157	1494.4%	5,027,896	(3,484,961)	244.3%
Non-Controlling Interest	5,098,792	111,623	4467.9%	-	-	-
Total Profit for the period	226,601,738	14,003,780	1518.1%	5,027,896	(3,484,961)	244.3%
Total Comprehensive Income attributable to :						
Equity Holders of the Parent	229,031,986	6,481,495	3433.6%	4,640,423	(3,484,961)	(233.2%)
Non-Controlling Interest	5,098,620	111,899	4456.4%	-	-	-
Total Comprehensive Income for the Year	234,130,606	6,593,395	3451.0%	4,640,423	(3,406,107)	236.2%

Earnings Per Share	0.27	0.02	0.01	(0.00)
Weighted Average No of Shares	826,113,515	821,869,169	826,113,515	821,869,169

* The amounts are provisional and subject to audit

** The variance indicates the impact on the profitability

VIDULLANKA PLC

Statement of Changes In Equity

Three Months Ended 30th June 2018

GROUP	Stated Capital	Retained Earnings	Foreign Currency Translation Reserve	Non-Controlling Interest	Total
	Rs	Rs	Rs	Rs	Rs
Balance As at 1st April 2017	1,267,893,105	569,026,544	(35,150,450)	5,820,869	1,807,590,068
Profit for the Period		13,892,157		111,624	14,003,781
Acquisition of stake	-	-	-	-	-
Other Comprehensive Income		100,549	(7,511,210)	275	(7,410,386)
Total Comprehensive Income for the Year	-	13,992,706	(7,511,210)	111,899	6,593,395
Balance As at 30th June 2017	1,267,893,105	583,019,250	(42,661,660)	5,932,768	1,814,183,463
Balance As at 1st April 2018	1,342,608,484	810,201,685	31,462,897	27,882,261	2,212,155,327
Share Issued for the Period	75,300,000				75,300,000
Profit for the period	-	221,502,946	-	5,098,792	226,601,738
Other Comprehensive Income	-	(452,055)	7,981,008	(86)	7,528,867
Total Comprehensive Income for the Year	-	221,050,891	7,981,008	5,098,706	234,130,606
Dividend Distributions				-	-
Balance As at 30th June 2018	1,417,908,484	1,031,252,576	39,443,905	32,980,967	2,521,585,933

COMPANY	Stated Capital	Retained Earnings	Total
	Rs	Rs	Rs
Balance As at 1st April 2017	1,267,893,105	149,900,900	1,417,794,005
Profit for the Period	-	(3,484,961)	(3,484,961)
Other Comprehensive Income	-	78,854	78,854
Total Comprehensive Income for the Year	-	(3,406,107)	(3,406,107)
Balance As at 30th June 2017	1,267,893,105	146,494,793	1,414,387,898
Balance As at 1st April 2018	1,342,608,484	141,306,450	1,483,914,934
Share Issued for the Period	75,300,000		75,300,000
Profit for the period	-	5,027,896	5,027,896
Other Comprehensive Income	-	(387,473)	(387,473)
Total Comprehensive Income for the Year	-	4,640,423	4,640,423
Balance As at 30th June 2018	1,417,908,484	145,946,873	1,563,855,357

VIDULLANKA PLC

Statement of Cash Flow

Three Months Ended 30th June 2018

	Group		Company	
	30.06.2018 (Unaudited*) Rs.	30.06.2017 Rs.	30.06.2018 (Unaudited*) Rs.	30.06.2017 Rs.
Cash Flows From/(Used in) Operating Activities				
Profit from Ordinary Activities Before Tax	260,055,663	40,952,692	5,027,896	(3,484,961)
Adjustments for				
Depreciation	36,272,946	32,017,223	6,268,163	6,325,491
Provision for Retiring Gratuity	2,047,522	1,054,906	375,715	715,423
Profit from the Joint Ventures	-	(6,224,023)	-	-
Finance Income	(82,979)	(194,017)	(82,979)	(194,018)
Finance Cost	20,540,380	65,697,427	20,540,380	20,127,808
Operating Profit/(Loss) Before Working Capital Changes	318,833,532	133,304,208	32,129,175	23,489,743
(Increase)/Decrease in Inventories	2,960,603	(1,298,008)	-	9,529
(Increase)/Decrease in Trade & Other Receivables	(120,995,376)	(143,082,852)	(76,079,289)	(40,584,498)
Increase/(Decrease) in Trade & Other Payables	26,977,471	142,872,990	(9,600,348)	142,872,990
Transfer of expenses from other project investment to relevant project companies	(4,632,360)	(3,844,723)	(4,632,360)	(22,192,020)
Cash Generated from Operations	223,143,870	127,951,615	(58,182,823)	103,595,744
Finance Cost Paid	(20,540,380)	(65,697,427)	(20,540,380)	(20,127,808)
Finance Income Received	82,979	194,017	82,979	194,018
Defined Benefit Plan Costs Paid	(106,150)	(1,986,600)	(106,150)	(1,986,600)
Income Tax Paid	(400,000)	-	-	-
Net Cash From Operating Activities	202,180,319	60,461,605	(78,746,374)	81,675,354
Net Cash From (Used In) Investing Activities				
Acquisition of Property, Plant & Equipment	(172,475,253)	(130,880,780)	(278,568)	(642,912)
Net Expenses incurred in new project development	-	8,143,201	-	8,143,201
Net Proceeds from Investment in Joint Ventures & Associates	(39,151,224)	-	-	-
Net Cash Flow Used in Investing Activities	(211,626,477)	(122,737,579)	(278,568)	7,500,289
Cash From (Used in) Financing Activities				
Principal Payment Under Ijara Facilities/(Finance Leases)	(1,364,349)	(691,772)	(614,591)	(296,600)
Principal Payment Under Murabaha Facilities	(5,297,199)	(4,818,932)	(5,297,199)	(4,818,932)
Principal Payment Under Diminishing Musharakah Facilities	(82,688,401)	(49,282,003)	-	(6,250,000)
Principal Payments under Wakala Facilities	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)
Principal Payments under short term facilities	(80,000,000)	(145,543,184)	(80,000,000)	(145,543,184)
Proceeds from Ijara Facilities	11,500,000	-	9,300,000	-
Proceeds from Short term facilities	143,500,000	70,579,204	143,500,000	70,579,204
Proceeds from Diminishing Musharakah Facilities	31,980,000	156,050,507	-	-
Net Cash From (Used In) Financing Activities	7,630,051	16,293,820	56,888,210	(96,329,512)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,816,107)	(45,982,156)	(22,136,732)	(7,153,870)
Cash & Cash Equivalents at the beginning of period	105,616,266	81,174,875	36,687,715	7,346,697
Cash & Cash Equivalents at end of period	103,800,159	35,192,719	14,550,983	192,827

Movement in cash and cash equivalents				
Components of Cash and Cash Equivalents	362,500	362,500	220,000	195,000
Cash and Bank Balances	103,437,659	34,830,219	14,330,983	(2,173)
At the end of the period	103,800,159	35,192,719	14,550,983	192,827

* The amounts are provisional and subject to audit

VIDULLANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

- The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standards – LKAS 34 Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2018, including the changes to accounting policies as a result of convergence to the revised Sri Lanka Accounting Standards ('SLFRSs/LKASs'). Further, the provisions of the Companies Act No 7 of 2007 have been considered in preparing the interim financial statements. The figures in the presented financial statements are provisional and subject to audit unless otherwise stated.
- The summarized financial information of the Joint Ventures and associates which are now being accounted under Equity method is presented below:

Investment in Joint ventures	Quarter ended 30-06-2018	Year ended 31-03-2018
Investment in Gurugoda Hydro (Pvt) Ltd	54,836,320	52,776,207
Investment in Udaka Energy Group (Pvt) Ltd	36,845,209	35,385,967
Investment in Vidul Madugeta (Pvt) Ltd	193,291,668	167,341,650
Nilwala Vidulibala Company (Pvt) Ltd	73,350,273	63,668,421
Total investment in Joint ventures	358,323,469	319,172,245
Share of comprehensive income from the Joint ventures		
Gurugoda Hydro (Pvt) Ltd	2,077,369	15,784,311
Udaka Energy Group (Pvt) Ltd	1,462,619	(270,977)
Vidul Madugeta (Pvt) Ltd	25,947,801	51,712,191
Nilwala Vidulibala Company (Pvt) Ltd	9,681,852	17,799,984
Total share of comprehensive income from Joint ventures	39,169,640	85,025,509

- The Bambarabatu Oya Mini Hydro Power Plant concluded the stipulated contractual period of Standard Power Purchasing agreement (SPPA) with the Ceylon Electricity Board (CEB) on 1st June 2016. The SPPA is yet to be renewed, however CEB continue to accept the supply of electricity from the power plant. The revenue (amounting Rs.110. Mn) has been recognized based on the tariff of Rs. 5.30 per unit since the expiration of SPPA, which is offered by CEB for the similar mini hydro power plants with SPPA expired. Revenue amounting Rs. 23.70 million has been recognized as the trade receivable for the three months period ended for the financial year 2018/19. Vidullanka Plc has obtained Requisite Consent from PUCSL and waiting for signing of SPPA with CEB.
- There has not been any significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the financial year ended 31st March 2018
- No circumstance has arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statement, other than the disclosures made in this interim financial statements
- 15,916,296 shares were issued by way of a Private placement to Timex Garments (Pvt) Limited at a value of 4.83 per share this has resulted in an increase of stated capital by Rs 75.3 mn

7. Market price per share during the quarter ended 30th June 2018

Description	30th June 2018		30th June 2017	
	Date	Rs.	Date	Rs.
Market Price-Highest	05/06/2018	4.90	05/05/2017	5.60
Market Price-Lowest	25/06/2018	4.10	17/04/2017	5.00
Market Price-last Traded	30/06/2018	4.10	30/06/2017	5.20

8. Directors' Shareholding as at 30th June 2018

Name of Director / CEO	No of Shares
Mr Riyaz M. Sangani	102,703,897
Mr.Sattar Kassim	73,637,368
Mr. Osman Kassim	10,442,641
Mr. Ranjan Mather	8,250,000
Mrs. B.R.I.Sangani (Resigned w.e.f. 30/07/2018)	5,164,884
Mr. S.S.V.Fernando	4,950,000
Mr.S.M Sangani	4,227,552
Mr. C.F Fuhrer	1,098,398
Mr.M.Z. Ghouse	2,600,000
Mr. Sujendra Mather	19,827,892
DR. A.A.M Haroon (Resigned w.e.f. 30/07/2018)	Nil
Mr. Rizvi Zaheed (Appointed w.e.f. 31/07/2018)	Nil

9. Public Shareholding information as at 30th June 2018 presented below

Issued Share Capital		837,785,465
1. Parent, subsidiary, associate entities or any subsidiaries or associates of its parent entity		NIL
2. Directors of the entity, spouses & their close family members		
Mr.Osman Kassim	10,442,641	
Mr. Riyaz M. Sangani	102,703,897	
Mr. Shahid M. Sangani	4,227,569	
Mr. S. Ranjan Mather	8,250,000	
Mr. M. Zulficar Ghouse	2,600,000	
Mr. S. S. V. Fernando	4,950,000	
Mrs. B. R. I. Sangani	5,164,884	
Mr. Sattar Kassim	73,637,368	
Mr. C. F. Fuhrer	1,098,398	
Mr. Sujendra Mather	19,827,892	
Mrs. S. R. Sangani	418,934	
Mrs. S. S. Sangani	2,819,955	
Mrs. R. L. Mather	42,225,000	
Mrs. Z. M. Sangani	17	
Mr. Suhayb M. Sangani	11,767,741	(290,134,296)
3. Chief Executive Officer and his close family members		-
4. Key management Personnel and their close family members		-
5. Any party acting in concert with the parties set out in 1,2,3 & 4		-
6. Shares that have been allotted to employees, whereby the shares of the Entity are, directly or indirectly controlled by the management or the majority shareholder of the Entity.		-
7. Shares that are in a locked account with the CDS due to statutory or regulatory requirement other than the shareholders exempted under (8) below.		-
8. Entities, Single shareholders or Single shareholders jointly or severally holding 10% or more (5% for Dirisavi Board)		
Aberdeen Holdings (Pvt) Limited	123,289,840	
Belmont Agents Limited	123,755,000	
Wembley Spirit Limited	108,943,372	(355,988,212)
Public Shareholding		191,662,957
Public Holding - %		22.88%
Public Holding - No of Shareholders		1,451
Non Public Shareholding		646,122,508
Non Public Shareholding %		77.12%
Non Public Holding - No of Shareholders		18

10. The name and the Number of shares held by the top 20 shareholders as at 30th June 2018

	Name	Shares	%
1	Belmont Agents Ltd	123,755,000	14.8%
2	Aberdeen Holdings (Pvt) Ltd	123,289,840	14.7%
3	Wembley Spirit Ltd	108,943,372	13.0%
4	Mr Riyaz M. Sangani	102,703,897	12.3%
5	Mr.Sattar Kassim	73,637,368	8.8%
6	Mrs. R. L. Mather	42,225,000	5.0%
7	ABC International Ltd	28,719,973	3.4%
8	Mrs. Yumna Kunimoto	25,275,451	3.0%
9	Mr. Mohamed Shafee Mohideen	20,992,898	2.5%
10	Mr. Sujendra Mather	19,827,892	2.4%
11	Dynawash Ltd	17,966,598	2.1%
12	Mrs. D.Z. Kathawala	16,837,250	2.0%
13	Timex Garments (Pvt) Ltd	15,916,296	1.9%
14	Jaywise Construction Ltd	14,094,151	1.7%
15	Mr. Ranjeet Bhanwarlal Barmecha	11,880,003	1.4%
16	Mrs. Z.M.Sangani	11,767,741	1.4%
17	Mr. Osman Kassim	10,442,641	1.2%
18	Mr. Ranjan Mather	8,250,000	1.0%
19	Vanguard Industries (Pvt) Ltd	7,606,012	0.9%
20	Mrs. B.R.I.Sangani	5,164,884	0.6%
	Top 20 Share Holders	789,296,267	94.2%

CORPORATE INFORMATION

COMPANY STATUS

Public Limited Liability Company Listed in the Colombo Stock Exchange on 10th June 2005

RE-REGISTRATION DATE & NUMBER

27th September 2007

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COMPANY SECRETARY

Managers & Secretaries (Pvt) Ltd

No 8 Tickle Road

Colombo 08.

STATED CAPITAL

Rs. 1,417,908,484/-

ISSUED NUMBER OF SHARES

837,785,465 Shares

REGISTERED OFFICE

Level 04, Access Towers

No 278 Union Place

Colombo 02.

Telephone – 011 4760000

Fax – 011 4760076

Email – info@vidullanka.com

Web – www.vidullanka.com

AUDITORS

M/s. Ernst & Young, Chartered Accountants

No 201, De Saram Place

Colombo 10.

BANKERS

Amana Bank PLC

MCB Bank Limited

Hatton National Bank PLC

Commercial Bank of Ceylon PLC

Bank of Ceylon

NDB Bank PLC

Stanbic Bank Uganda Limited